

TRANSMITTAL # 2

MEMORANDUM

January 14, 2003

TO: Workforce Development Council

FROM: Roger B. Madsen, Director

SUBJECT: Workforce Investment Act PY 2002 Incentive Allocations

ACTION REQUESTED: Information Only.

BACKGROUND:

Idaho's WIA PY 2002 state budget reserves 10% of the State 15% Reserve, or approximately **\$229,417**, to support incentive allocations to the six *IdahoWorks* areas. The State's Strategic Five Year plan described the process for allocating the incentive funds to the local areas. Under these policies, Idaho would use a similar process for determining local eligibility for incentive funds as the USDOL utilizes to determine State eligibility for incentives. After reviewing the U.S. General Accounting Office's concerns regarding the WIA performance measures, the Council, at its March 26, 2002 meeting, agreed that the WIA incentive funds should be delayed until PY 2002 performance data is available. For PY 2000 and 2001 the Council agreed that incentive funds should be equally divided among the six areas contingent upon continued successful implementation of WIA.

Attached is a table depicting the State's and six local areas' performance for PY 2001. Overall, the data shows that we continue to make good progress in implementing WIA. The State met or exceeded 16 of the 17 core measures. The only measure that the State did not meet is the Dislocated Worker Earnings Replacement Rate. However, the State's performance on this measure is at 95.6% of the goal and the overall WIA performance exceeds the USDOL's requirements to qualify for incentive funds.

As the State has exceeded the USDOL's WIA incentive fund requirements and these outcomes represent the composite performance of all six local areas, each local area will receive an equal share of the **\$229,417** incentive funds based on their PY 2001 performance.

While there are still significant issues with the WIA performance measures, the State will continue with aggressive efforts to assist the local areas in improving program performance and in managing the performance measurement system. As Area II did not meet six performance measures, the Idaho Department of Labor is working with the area to develop and implement a

corrective action plan to address performance issues. This effort will emphasize improving youth services, as four youth measures were not met.

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Attachment

WORKFORCE INVESTMENT ACT

PY 2001 PERFORMANCE

	Goal	State	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6
Adult Programs								
Employment	71%	91.3%	91.5%	88.6%	94.2%	90.9%	90.0%	88.9%
Employment Retention	80%	88.8%	84.0%	98.0%	90.7%	91.2%	91.4%	88.5%
Average Earnings Change	\$3,600	\$3,746	\$3,112	\$2,328	\$3,914	\$4,192	\$7,155	\$4,467
Employed and Credential	46%	65.2%	58.1%	55.2%	70.8%	64.4%	87.5%	72.7%
Dislocated Worker								
Employment	75%	94.0%	93.8%	96.0%	92.1%	93.2%	95.2%	98.8%
Employment Retention	88%	91.8%	91.5%	93.3%	91.8%	92.8%	90.0%	90.1%
Earnings Replacement Rate	93%	88.5%	96.2%	73.2%	85.9%	132.6%	154.0%	75.8%
Employed and Credential	46%	60.1%	59.8%	57.7%	56.2%	46.9%	85.7%	90.0%
Older Youth								
Employment	69%	89.6%	82.6%	100.0%	75.0%	100.0%	100.0%	100.0%
Employment Retention	81%	90.7%	96.7%	70.0%	83.3%	100.0%	90.9%	90.0%
Average Earnings Change	\$2,500	\$3,850	\$3,720	-\$160	\$5,518	\$4,923	\$3,623	\$7,089
Employed and Credential	36%	60.0%	43.2%	54.5%	57.1%	88.9%	81.8%	80.0%
Younger Youth								
Skill Attainment Rate	72%	87.6%	85.7%	65.7%	88.7%	100.0%	86.8%	80.9%
Diploma or Equivalent Rate	55%	71.2%	57.5%	50.0%	92.2%	100.0%	90.5%	76.2%
Retention Rate	55%	74.9%	72.2%	88.2%	60.0%	100.0%	96.2%	76.2%
Customer Satisfaction								
Participants	69%	83.8%	73.5%	72.7%	72.5%	82.1%	87.4%	83.8%
Employers	67%	81.6%	NA	NA	NA	NA	NA	NA